

5/21 5:30p  
Chapter No. 91  
10/HR03/A328SG  
Lo / Jp

***HOUSE BILL NO. 1627***

Originated in House Don Richardson Clerk

HOUSE BILL NO. 1627

AN ACT MAKING AN APPROPRIATION TO THE GOVERNOR'S OFFICE - DIVISION OF MEDICAID FOR THE PURPOSE OF PROVIDING MEDICAL ASSISTANCE UNDER THE MISSISSIPPI MEDICAID LAW AND DEFRAYING THE EXPENSES OF THE ADMINISTRATION OF SUCH LAW FOR THE FISCAL YEARS 2010 AND 2011.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State General Fund not otherwise appropriated, to the Governor's Office - Division of Medicaid for the purpose of providing medical assistance under the Mississippi Medicaid Law and defraying the expenses of the administration of such law, as provided in Section 43-13-101 et seq., Mississippi Code of 1972, for the fiscal year beginning July 1, 2010, and ending June 30, 2011 .....  
..... \$ 261,462,466.00.

**SECTION 2.** The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State Treasury to the credit of the Medical Care Fund created by Section 43-13-143, Mississippi Code of 1972, for the purpose of providing medical assistance under the Mississippi Medicaid Law for the fiscal year beginning July 1, 2010, and ending June 30, 2011 .....  
..... \$ 280,151,158.00.

**SECTION 3.** The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in any special fund in the State Treasury to the credit of the Governor's Office - Division of Medicaid which is comprised of special source funds collected by or otherwise available to the commission, for the purpose of providing medical assistance under the Mississippi

Medicaid Law and defraying the expenses of the administration of such law, for the fiscal year beginning July 1, 2010, and ending June 30, 2011 ..... \$4,364,208,717.00.

Prior period recovery of funds may be maintained and expended by the division when the recovery is received or finalized. Any recoveries due to audits or third party recoveries may be used to offset the cost of such audits and third party recoveries and as such, the division may escalate Contractual Services as needed for these purposes.

**SECTION 4.** The following sum, or so much thereof as may be necessary, is hereby appropriated out of any money in the State Treasury to the credit of the Health Care Expendable Fund, for the purpose of defraying the expenses of the Governor's Office - Division of Medicaid for the fiscal year beginning July 1, 2010, and ending June 30, 2011 ..... \$ 174,115,568.00.

The above funds shall be allocated as follows:

CHIP Program at 200% level of poverty .....	\$ 2,879,024.00
Eyeglasses for adults .....	\$ 699,191.00
Home and Community Waiver Program .....	\$ 1,972,132.00
Disabled worker buy-in to the Medicaid program .....	\$ 754,715.00
Dental fee increase .....	\$ 904,837.00
Medical Program Matching Funds .....	\$ 166,905,669.00

It is the intention of the Legislature that funds may be shifted among the above allocated line items where needed in the discretion of the Executive Director of the Division of Medicaid.

**SECTION 5.** Of the funds appropriated under the provisions of this act, not more than the following amount shall be expended for Salaries, Wages and Fringe Benefits ..... \$ 45,954,346.00.

FUNDING:

General Funds .....	\$ 261,462,466.00
Special Funds .....	<u>4,818,475,443.00</u>
Total .....	\$5,079,937,909.00



AUTHORIZED POSITIONS:

Permanent:	Full Time .....	947
	Part Time .....	0
Time-Limited:	Full Time .....	11
	Part Time .....	0

With the funds herein appropriated, it is the intention of the Legislature that it shall be the agency's responsibility to make certain that funds required to be appropriated for "Personal Services" for Fiscal Year 2012 do not exceed Fiscal Year 2011 funds appropriated for that purpose, unless programs or positions are added to the agency's Fiscal Year 2011 budget by the Mississippi Legislature. Based on data provided by the Legislative Budget Office, the State Personnel Board shall determine and publish the projected annual cost to fully fund all appropriated positions in compliance with the provisions of this act. It shall be the responsibility of the agency head to ensure that no single personnel action increases this projected annual cost and/or the Fiscal Year 2011 appropriations for "Personal Services" when annualized, with the exception of escalated funds. If, at the time the agency takes any action to change "Personal Services," the State Personnel Board determines that the agency has taken an action which would cause the agency to exceed this projected annual cost or the Fiscal Year 2011 "Personal Services" appropriated level, when annualized, then only those actions which reduce the projected annual cost and/or the appropriation requirement will be processed by the State Personnel Board until such time as the requirements of this provision are met.

Unless otherwise authorized in this act, no state agency shall take any action to promote or otherwise award salary increases through reallocation, reclassification, realignment, educational benchmark, career ladder, equity salary adjustment, or any other means to increase salaries of employees or positions unless specifically exempted by the following conditions: the

award of teacher salary increments; the advancement of a trainee/cadet to the next level of a bona fide career ladder; the award of an educational benchmark for the attainment of a Certified Public Accountant License or higher level professional certification based on information provided to the State Personnel Board by the Legislative Budget Office; the immediate replacement of a departing employee with an employee from within state service at a salary level of the departing employee or the Fiscal Year 2011 promotional formula, whichever is less; the emergency appointment of nurses, pharmacists or other health care and child protection professionals at a salary to be determined by the State Personnel Board; or a new hire associated with the American Recovery and Reinvestment Act of 2009. All positions supported by funds available through the American Recovery and Reinvestment Act of 2009 shall be designated as time-limited positions.

Any transfers or escalations shall be made in accordance with the terms, conditions and procedures established by law or allowable under the terms set forth within this act. The State Personnel Board shall not escalate positions without written approval from the Department of Finance and Administration. The Department of Finance and Administration shall not provide written approval to escalate any funds for salaries and/or positions without proof of availability of new or additional funds above the appropriated level.

No general funds authorized to be expended herein shall be used to replace federal funds and/or other special funds which are being used for salaries authorized under the provisions of this act and which are withdrawn and no longer available.

**SECTION 6.** It is the intention of the Legislature that the Governor's Office - Division of Medicaid shall maintain complete accounting and personnel records related to the expenditure of all funds appropriated under this act and that such records shall be in the same format and level of detail as maintained for Fiscal

Year 2010. It is further the intention of the Legislature that the agency's budget request for Fiscal Year 2012 shall be submitted to the Joint Legislative Budget Committee in a format and level of detail comparable to the format and level of detail provided during the Fiscal Year 2011 budget request process with the Children's Health Insurance Program (CHIP) being separated from the Medical Services Program and submitted as a separate program. In addition, the performance measures reported for the Medical Services Program shall include an unduplicated case count of individuals served by eligibility status, and the number and the costs of emergency room visits.

**SECTION 7.** In compliance with the "Mississippi Performance Budget and Strategic Planning Act of 1994," it is the intent of the Legislature that the funds provided herein shall be utilized in the most efficient and effective manner possible to achieve the intended mission of this agency. Based on the funding authorized, this agency shall make every effort to attain the targeted performance measures provided below:

	FY2011
<u>Performance Measures</u>	<u>Target</u>
Adminstrative Services	
Admin as a % of Total Budget (%)	3.72
3rd Party Funds Recovered	9,157,056
Medical Services	
Recipients Enrolled (Persons)	634,923
Emergency Room Visits (\$)	51,789,985
Emergency Room Visits	3,256,720
Out-stationed Eligibility Locations	115
Child Physical Exams	172,417
Adult Physical Exams	3,809
Clean Claims % - 30 Days from Receipt	90
Clean Claims % - 90 Days from Receipt	99
Fiscal Agent Call Center Abandonment Rate (%)	4.90



Fiscal Agent Call Center Avg. Answer Time	26
Increase in Electronic Health Records	180
Increase in E-Prescribing Technologies	180
Providers Submitting Electronic Claims	9,290
Increase in Fraud and Abuse Cases Investigate	136
Increase in Third Party Recoveries (\$)	10,008,435
Third Party Liability Costs Avoided (\$)	1,574,028,404
Appl. Processed within Std. of Promtness (%)	90
Appeals Process, Claims Heard or Settled	48
Child's Health Ins Prg - Chip	
CHIP Enrollees (Number of)	81,348
Out-stationed Eligibility Locations	115
Dialysis Transportation Program	
Trips (Number of)	4,344

A reporting of the degree to which the performance targets set above have been or are being achieved shall be provided in the agency's budget request submitted to the Joint Legislative Budget Committee for Fiscal Year 2012.

**SECTION 8.** It is the intention of the Legislature that whenever two (2) or more bids are received by this agency for the purchase of commodities or equipment, and whenever all things stated in such received bids are equal with respect to price, quality and service, the Mississippi Industries for the Blind shall be given preference. A similar preference shall be given to the Mississippi Industries for the Blind whenever purchases are made without competitive bids.

**SECTION 9.** Of the funds appropriated herein, an amount not to exceed Two Hundred Fifty Thousand Dollars (\$250,000.00) is provided to implement an Adult Foster Care program for Medicaid recipients as authorized by Section 43-13-117, Mississippi Code of 1972.

**SECTION 10.** The division shall provide statistical and financial reports on a monthly basis to the Legislative Budget

Office. These reports shall include, but are not limited to, an accounting of all funds spent and participant statistics medical program, the CHIP program, the Dialysis Transportation program, and each of the Home-and-Community Based Waiver programs, and an accounting of all funds spent in the administrative program.

The Division of Medicaid shall perform its cash flow projections on a predetermined monthly schedule and make this and any other information requested available, upon request, to the Chair of the Senate Public Health and Welfare Committee, the House Public Health and Human Services Committee, the House Medicaid Committee, the House and Senate Appropriations Committees as well as the Legislative Budget Office.

On July 1, 2010, the Division of Medicaid shall inform the chairs of the committees and the Legislative Budget Office as listed above of the schedule it will use to produce the monthly cash flow projections and other statistical and financial reports as required by this section.

**SECTION 11.** Of the funds appropriated under the provisions of Section 3, One Hundred Eighty-three Million Six Hundred Four Thousand Dollars (\$183,604,000.00) shall be derived from the Budget Contingency Fund created in Section 27-103-301, Mississippi code of 1972.

**SECTION 12.** Of the funds appropriated under the provisions of Section 3, One Hundred Fifty-two Million One Hundred Ten Thousand Two Hundred Twenty-seven Dollars (\$152,110,227.00) is anticipated to be derived from funds provided pursuant to the American Recovery and Reinvestment Act of 2009.

If the amount that ultimately becomes available for this agency from the American Recovery and Reinvestment Act of 2009 differs from the above stated amount, the agency shall immediately report the actual amount to the Legislative Budget Office and the agency may use the American Recovery and Reinvestment Act of 2009



escalation authorization contained within this act to increase the expenditure authority as necessary.

**SECTION 13.** Of the funds appropriated in this act, the Division of Medicaid shall pay a per diem rate of reimbursement of no less than Fifty Dollars (\$50.00) to providers of adult day services for each day of service provided to an eligible beneficiary. In order to receive this per diem rate of reimbursement, providers of adult day services shall participate in the Elderly and Disabled Waiver Program for Home and Community Based Services.

**SECTION 14.** It is the intention of the Legislature that the agency shall compile cell phone usage records of any cellular phone (wireless communication device) that is assigned, issued or made available to any officer or employee in accordance with Section 25-53-191, Mississippi Code of 1972, and these records shall be made publicly available at the expense of the agency.

**SECTION 15.** It is legislative intent to ensure beneficial information reaches as many Mississippians as possible. Further, it is legislative intent that the expenditure of public funds for this purpose be accomplished in an efficient and effective manner.

Therefore, state agencies as standard procedure will observe the following criteria:

- (a) Develop goals and desired result for a campaign.
- (b) Evaluate effectiveness through respected advertising standards, including market reach and cost effectiveness.
- (c) Seek public service announcements, which would be aired by media without cost.
- (d) Itemize and justify professional assistance and related expenses for creative and production costs outside of the actual media expenditures.
- (e) Utilize Mississippi-owned media companies when feasible.

**SECTION 16.** It is the intention of the Legislature that this agency shall have the authority to receive, budget and expend funds from any source that may become available to them as a result of the passage of the American Recovery and Reinvestment Act of 2009 in accordance with the rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds.

The Executive Director of the Department of Finance and Administration shall have the authority to approve escalations of funds and employee positions using funds from any source available due to the passage of the American Recovery and Reinvestment Act of 2009.

The Executive Director of the Department of Finance and Administration shall immediately send notice of the approval of such budget escalation to the House of Representatives Appropriations Committee, the Senate Appropriations Committee and the Legislative Budget Office. Within fifteen (15) days of such approval, the Executive Director of the Department of Finance and Administration shall ensure that the Legislative Budget Office receives detailed and accurate information about the amount and use of federal and special source funds by state agencies as a result of the passage of the American Recovery and Reinvestment Act of 2009.

**SECTION 17.** No former employee who is receiving State of Mississippi retirement benefits shall be hired under contract for an amount exceeding Twenty Thousand Dollars (\$20,000.00) a year without prior approval by an agency's proper governing board or authority. Upon approval of such contracts, a written report shall be submitted detailing the cost and need of such contract services to the Chairmen and members of the Senate and House Appropriations Committees.

**SECTION 18.** The division shall freeze reimbursement rates for long-term care at the level that rates were in effect on

January 1, 2010, and shall increase funding for the Assisted Living and Elderly and Disabled Home-and-Community Based Waiver programs by Three Million Dollars (\$3,000,000.00).

**SECTION 19.** In the division's Fiscal Year 2012 budget submission, all Medicaid 1915 (C) Home and Community Based Waivers shall be presented as a new budget program separate from the Medical Services Program.

**SECTION 20.** It is the intent of the Legislature that the Division of Medicaid submit a state plan amendment with Centers for Medicare and Medicaid Services (CMS) for the purpose of implementing a program that meets the national standards of the Program for All-Inclusive Care for the Elderly (PACE) program. The state plan amendment shall include a plan to implement a program in each of the four (4) congressional districts.

**SECTION 21.** The Division shall transfer One Million Dollars (\$1,000,000.00) of State Support Funds to the Department of Rehabilitation Services for the expansion of the Independent Living Home and Community Based Waiver program and shall transfer One Million Dollars (\$1,000,000.00) of State Support Funds to the Department of Human Services to expand the Home Delivered Meals program.

**SECTION 22.** Of the funds appropriated under the provisions of this act, Three Million Dollars (\$3,000,000.00) are provided for the purpose of funding a temporary program to provide nonemergency transportation to locations for necessary dialysis services for end-stage renal disease patients who are sixty-five (65) years of age or older or are disabled as determined under Section 1614(a)(3) of the federal Social Security Act, as amended, whose income did not exceed one hundred thirty-five percent (135%) of the nonfarm official poverty level as defined by the Office of Management and Budget and whose eligibility was covered under the former category of eligibility known as Poverty Level Aged and Disabled (PLADS).



**SECTION 23.** Of the appropriated funds herein, the division may use an amount not less than Nine Hundred Four Thousand Dollars (\$904,000.00) to increase dental services rates.

**SECTION 24.** In the event that the Office of the Attorney General receives the proceeds of any legal settlement after April 20, 2010, and prior to June 30, 2010, such proceeds shall be deposited to the Budget Contingency Fund as created in Section 27-103-301, Mississippi Code of 1972. Contingent upon the receipt and deposit of such settlement proceeds and in addition to all other sums heretofore appropriated for Fiscal Year 2010 to the Division of Medicaid, funds in an amount equal to the settlement amount not to exceed Five Million Dollars (\$5,000,000.00) is hereby appropriated out of the Budget Contingency Fund to the Division of Medicaid for the purpose of providing state Medicaid matching funds for the medical program for Fiscal Year 2010.

**SECTION 25.** The money herein appropriated shall be paid by the State Treasurer out of any money in the State Treasury to the credit of the proper fund or funds as set forth in this act, upon warrants issued by the State Fiscal Officer; and the State Fiscal Officer shall issue his warrants upon requisitions signed by the proper person, officer or officers, in the manner provided by law.

**SECTION 26.** This act shall take effect and be in force from and after July 1, 2010, with the exception of Section 24 which shall take effect and be in force from and after passage and through Fiscal Year 2010.

PASSED BY THE HOUSE OF REPRESENTATIVES  
April 23, 2010

  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE  
April 23, 2010

  
PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

  
GOVERNOR

5/21/10

5:30p